--- 20 Cigarettes - “L. O. Grothe”, Montreal - [16-10D] - pre-war 1932 Budget ---

“L. O. Grothe” had been manufacturing tobacco products in Montreal since the plant first appeared with a *green* license as the “Larue Tobacco Company” [**23-17**] on the Official List of 1904. Subsequently they were called the “Grothe Tobacco Factory” in the Official List of 1914. Designated as [**16-10D**] in the Official Lists of 1935 and 1942, they first appear in the cigarette cancellations of early 1939. Under the control of “Imperial Tobacco”, at this time they were using a numerical *weekly* three digit dating code, in which the first two digits provided ***the week***, and the last digit gave ***the year***. The first listed, date cancelled, twenty cigarette *imperforate* **RC-386** was used by “L. O. Grothe” in the 11th week (March) of 1939.

[The 1939 regulations - re: Chris Ryan - letter of August 5th 1996]

Every stamp on every package of manufactured tobacco, cigarettes or cigars shall be cancelled by the licensee before removal from the licensed premises by printing or stencilling thereon in a legible manner, in the space provided for that purpose, the port number and the registered number of the factory.

Stamps on packages of imported tobacco, cigarettes and cigars shall be cancelled similarly to those of domestic manufacture.

★**RC-386** -20 cigarettes, imperf, coded **16-10D / 119** by “L. O. Grothe” in the 11th week of 1939

[★RC-386] - 1939		---	---	---	---	---	---	**---**	---	---
	---	**119**	---	---	---	---	---	---	---	---
	---	---	---	---	---	---	---	---	---	---
	---	---	---	---	---	---	**---**	---	---	---
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--- 20 Cigarettes - “L. O. Grothe”, Montreal - [16-10D] - Budget of 1939 ---

When the wartime Budget of September 1939 increased the excise duty on *small cigarettes* from $ 4.00 to $ 5.00 per thousand, the manufacturers responded by decreasing their package sizes by one cigarette per pack of ten or major fraction thereof, and the pack of twenty was reduced to *eighteen cigarettes* selling for 20 cents.

This example of **C-371** dating from March 1940, would thus have sold for 22 cents. Perhaps it came out of the bonded warehouse, as it does not fit the regular production pattern used by “Imperial Tobacco” and by their associates. Possibly it was used at a higher price on an imported brand.

★**RC-386** - 20 cigarettes, imperf, coded **16-10D / 30** by “L. O. Grothe” in March 1940

[★RC-386]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1940	---	---	**30**	---	---	---	---	---	---	---	---	---

In 1940 on stamps obtained under the September 1939 Budget, “L. O. Grothe” began using a monthly date coding - the first digit (or digits) provided the ***month***, and the final digit gave the ***year***. The January 1940 cancellation however (as noted on the 22 cigarette denomination) read as **16-10D / 1-40**, but by March the cancellation had been shortened to the simple **30**.

--- 20 Cigarettes - “L. O. Grothe”, Montreal - [16-10D] - Budget of June 1940 ---

The next Budget of June 24th 1940 increased the excise duty on *small cigarettes* from $ 5.00 to $ 6.00 per thousand, and “L. O. Grothe” restored the package of twenty cigarettes, increasing the price to 25¢ per pack, for sale *across Canada*. In July 1940, as a wartime economy, the Series “A” *imperforate* **C-337** was also used. **C-337** can be found both upright and inverted. Was the upright copy *on-hand*, and the inverted obtained under the June 1940 Budget?

On July 1st 1940 the Province of Quebec, abolishing all municipal and provincial tobacco taxes, imposed a flat 10% tobacco tax. This would have meant an added 3¢ tax on the 25¢ twenty cigarette package for a retail price of 28¢ per pack. Early in 1941, responding to dealer complaints in Quebec, and to maintain the 25¢ price, the manufacturers resumed production of the eighteen cigarette pack, intended for sale in the Province of Quebec.

★**RC-301** - 20 cigarettes, imperforate, Series “A”, coded **16-10D / 70** by “L. O. Grothe” in July 1940

[★RC-301]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1940	---	---	---	---	---	---	**70**	---	---	---	---	---

★**RC-386** - 20 cigarettes, imperforate, Series “C”, coded **16-10D / 31** by “L. O. Grothe” in March 1941

[★RC-386]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1940	---	---	---	---	---	---	---	---	---	---	---	---
1941	---	---	**31**	---	---	---	---	---	---	---	---	---
1942	---	---	---	**42**	---	---	---	---	---	---	---	---

--- 20 Cigarettes - the “L. O. Grothe” company surcharge for the June 1942 Budget ---

When the Budget of June 24th 1942 under the “Special War Measures Act” imposed an excise tax of 1¢ per five cigarettes or fraction thereof, “L. O. Grothe” surcharged their *on-hand* sheets of the twenty cigarette stamp with a three-line vermilion 3 mm. Gothic **4¢ / EXCISE / TAX** as the company provisional **RC-503**. Always uncoded, this surcharge dates from June 1942.

★**RC-503** - **4¢ / EXCISE / TAX** on 20 cigarettes, imperf, the initial “L. O. Grothe” company surcharge for the June 1942 Budget

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“L. O. Grothe” using sheets obtained under the June 1942 Budget, surcharged the imperforate twenty cigarette stamp with a central *orange-red* compressed Gothic 6 mm. **4** as the company provisional **RC-510**.

★**RC-510** - **4** on 20 cigarettes, imperf, coded **16-10D / 62** by “L. O. Grothe”, Montreal, in June 1942

[★RC-510]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1942	---	---	---	---	---	62	---	---	---	---	---	---

--- 20 Cigarettes - BABN Budget of 1942 Surcharge, used by “L. O. Grothe” [16-10D] ---

For general distribution under the Budget of June 1942, BABN overprinted the Series “C” *imperforate* twenty cigarette stamp with their usual 6 and 3 mm. three-line Gothic **4c. / EXCISE / TAX** as **RC-635**.

Under the Budget of June 1942, *twenty* cigarettes were sold across Canada (except in Quebec) for 30¢ per pack. In Quebec with their 10% tobacco tax *eighteen* cigarettes were being sold at the same price.

★**RC-635** - **4c. / EXCISE / TAX** on 20 cigarettes, imperf, coded **16-10D / 72** by “L. O. Grothe” in July 1942

--- the cancellations read horizontally inverted - 8 copies to date ---

[★RC-635]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1942	---	---	---	---	---	---	72	82	92	102	112	122
1943	13	23	---	---	---	---	---	---	---	---	---	---

--- 20 Cigarettes - the “L.O. Grothe” re-surcharge of RC-635 for the Budget of 1943 ---

When the Budget of March 3rd 1943 doubled the excise tax, “L. O. Grothe” re-surcharged their *on-hand* sheets of **RC-635** in deep blue ink with a 4½ mm Gothic **8c.**, and a 10 x 6 mm. deep blue **OO** *killer slug*, as the company provisional **RC-693**. Uncoded, as usual, this surcharge dates from March 1943.

★**RC-693** - **8c.** / **OO** on **4c. / EXCISE / TAX** - the “L. O. Grothe” re-surcharge of **RC-635** for March 1943

--- 20 Cigarettes - the BABN re-surcharge of RC-635 for the Budget of 1943 ---

When the Budget of March 3rd 1943 doubled the excise tax, BABN re-surcharged their sheets of **RC-635** in dark blue ink with their usual 6½ mm. *killer* Gothic **8c.** as the BABN provisional **RC-744**.

By the time of the March 3rd 1943 Budget accounting procedures had been changed by Ottawa, and the excise tax was paid for stamps obtained during one month by the end of the following month. Excise stamps were supplied by Ottawa on demand, and thus there was no longer any need to make company provisional surcharges except to *stock-on-hand* when the Budget was tabled.

★**RC-744** - **8c.** on **4c.** / EXCISE / TAX, imperf, coded **16-10D / 43** by "L. O. Grothe" in March 1943

[★RC-744]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1943	---	---	---	**43**	---	---	---	---	---	---	---	---

For general distribution under the Budget of March 3rd 1943 BABN surcharged the twenty cigarettes stamp with their usual 6 and 3 mm. three-line Gothic **8c.** / EXCISE / TAX as **RC-770**.

★**RC-770** - **8c.** / EXCISE / T A X with an 11 mm. T A X coded **16-10D / 33** by "L. O. Grothe" in March 1943

--- the cancellations read horizontally inverted - 8 copies to date ---

[★RC-770]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1943	---	---	**33**	**43**	**53**	**63**	---	**83**	**93**	**103**	---	---
1944	---	**24**	---	---	---	---	---	---	---	---	---	---

Early in 1944 BABN surcharged the twenty cigarette stamp with a narrow 9 mm. **TAX** in their usual 6 and 3 mm. red Gothic **8c. / EXCISE / TAX** (the normal **T A X** measures 11 mm.). This is listed in the catalogue as **RC-782**. The red ink is a brighter shade which can be easily picked out of a pile of stamps. In 1944 the cancellation occurs using the "Imperial Tobacco" heavy Gothic format as **APA / 16-10D**. It seems that production of cigarettes was being phased out at the "L. O. Grothe" plant.

★**RC-782** - **8c. / EXCISE / TAX** with a 9 mm. **TAX** coded **16-10D / APA** by "L. O. Grothe" in January 1944

[★RC-782]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1944	APA	---	---	---	---	---	---	---	---	---	---	---

File path is [c:\ MS - STAMPS \ RC_STAMPS \ 1935 - Series C \ 20 cigarettes \ 16-10D],
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